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INFORMATION REPORT
CONFIDENTIAL

COUNTRY Germany (Russian Zone)

SUBJECT Personnel Changes at the Oberspreewerke

25X1 PLACE
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1. The following changes of personnel have taken place at the Oberspreewerke.
 - a. Engineer Tösser has been appointed Chief of the Tube Production Department, replacing engineer Malchow, who went West.
 - b. Engineer Metzel has become assistant to engineer Tösser.
 - c. Herr Obst, Chief of the Purchasing Department, has been dismissed and replaced by Arthur Heinecke, whose assistant is G. Wille.
 - d. The Pump Department has been taken over by Herr Behfeld.
 - e. Herr Lexow, in charge of the Work Preparations, Repair Shops and Housekeeping, has had to take over the additional duty of administering the Power Supply.
 - f. The position of Dr. Bertel has been filled by Georg Sturka.
 - g. The special position of Chief Mechanic for all the mechanical workshops at OSW as well as for the branch plant of OSW, the TBN (Technisches Büro Nachrichten)*, which is the former Telephony Section of the WTA, Berlin-Neuebahnhofstrasse 9-17, was created and given to Herr Ernst Sandke. Sandke will henceforth be in charge of all workshops at OSW as well as at the TBN.
 - h. Herr Otto Meine has been put in charge of the Work Preparation, Planning, Machine Technical Department, and the Construction Bureau for Tools at the TBN, which constructs automatic telephone installations. Herr Alfred Strengail has become his deputy.
 - i. Herr Heinrich Kania has been appointed Chief of the Construction Bureau for Tools at the TBN, working under Otto Meine.
 - j. Herr Dr. Mettwig, who was formerly in charge of the Development Laboratory at TBN, left recently and was replaced by Herr Hermann Walwald.
 - k. Herr Karl Schliemann has been appointed Chief of the Construction Bureau for Instruments at the TBN.

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2. On 7 September 1949, the SAG Izolyator was liquidated and absorbed by the SAG Kabel.**
3. Herr Stössel of the people-owned RFT Funkwerk, Erfurt, Rudolfstr. 47, the former Telefunken Tube Factory, had been selected as Chief of the Production Department of the OSW, the position which had been held at one time by Herr Lorentz and later temporarily by Herr Lau. The BGL (Betriebs-Gewerkschaftsleitung) protested strongly against his transfer, however, and OSW was compelled to withdraw the appointment. The reason for this strong protest can be found in the professional qualifications of Herr Stössel, who is very valuable to the Erfurt Tube Factory which is experiencing production difficulties. The loss of Herr Stössel would be a considerable blow to the plant, especially since there is a marked lack of tube and production experts in Erfurt. While the Erfurt plant produces only 40,000 tubes monthly with five pump automats, the capacity of one automat at OSW is 23,000 monthly. Furthermore, OSW tubes are qualitatively higher than those produced at Erfurt.
4. Director Lorentz gave an account of the business affairs of OSW which disclosed the following interesting facts:
 - a. The monthly wages at OSW amount to 860,000 DM (East) of which 1/5 is paid to the employees in leading positions.
 - b. Production in August reached the value of 2,025,000 DM (East) and exceeded the fixed quota by 21.3 percent. In September, the amount reached 2,550,000 DM (East) but was only 13.5 percent higher than the quota fixed for September, which was set higher than for the preceding month.
 - c. The Development Department of OSW has made the deadline for all its tasks.
 - d. Some of the instruments to be constructed could not be delivered for lack of electrical measuring instruments. This lack was attributed to the Purchasing Department where orders for measuring instruments had allegedly been lying for months without any action being taken. This neglect caused the dismissal of Herr Obst (see paragraph 1c).
 - e. Bottlenecks exist in nickel and tungsten supplies because of a lack of Western Zone currency, and because of export embargoes from Western Germany. In order to avoid further bottlenecks, the plant intends to produce its own nickel and tungsten from alloy which can be purchased comparatively easily.
 - f. There is a lack of industrial diamonds in the wire drawing department. However, the Zeiss Works in Jena are expected to produce diamonds shortly and will be able to supply OSW.
 - g. There are also shortages of zircon dioxide, measuring instruments and certain nitro-lacquers.
5. Director Lorentz further pointed out various difficulties in the Tube Production Department which were caused by a sudden Russian order to stop the production of tubes 6 AC 7 and 6 AG 7. On order of the Russian management, production is to be converted speedily to tubes AL 7, 6 SA 7, 6 SQ 7, 6 V 6, 6 L 6, 6 SK 7, and 5 Z 4. In spite of the difficult conversion, the plant was able to fill its production quota for August and September by 108.5 percent. A monthly production of 25,000 tubes 6 SA 7 is planned, since an order for 50,000 tubes of this kind has to be completed by 31 December 1949. An order for 200,000 of these tubes has already been placed for 1950. Provisions have also been made to manufacture tubes RS 558 and 566 and rectifier tubes 15/40, 15/5 and 10/4 in greater numbers. Tube AL 7 will also be produced shortly.
6. The new Planning Commission has been successful in reducing the percentage of rejects. In August 1949, rejects of radio tubes amounted to 34.9 %, transmitter tubes, 17.8%, rectifier tubes and stabilizers, 21.4% and quick silver high pressure lamps, 15%.

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7. At the end of September, some incidents took place at OSW which had definite repercussions within the organization of the plant. At that time the SED Plant Group held a meeting to which some non-members were also invited to take part in the discussion in which the plant management was severely criticized. The attacks were mainly directed against Commercial Director Mätzig and Director Lorentz. Surprisingly enough, the BGL (Betriebs-Gewerkschaftsleitung) was not spared either by its own comrades. Director Mätzig, although a member of the SED, was called utterly incompetent. The SED Plant Group is completely under the influence of Social Director Heding, a member of the SED who is feared by his own comrades for his ruthlessness. It cannot be denied, however, that Heding is an efficient and capable man. As a result of the attacks against Director Mätzig, the latter was dismissed and replaced by Herr Reimann, who is in charge of the BGL at the TEN. Reimann, however, has been entrusted so far with only part of Mätzig's tasks.

8. On the evening of 3 October 1949, it was announced at OSW that Director General Loshmanov on leave in Russia, had been replaced by a Russian named Glybin. It is well known that Loshmanov did not get on too well with the SED and it is generally assumed that Heding is partly responsible for this change. One of Glybin's first acts was to appoint Herr Stösser, who had just been confirmed as Chief of the Tube Production Department of OSW, as Chief of all production, while Herr Wetzel, former assistant to Stösser, will now be in charge of the Tube Production Department.

25X1 * Comment: This is the first time that the TEN has ever been mentioned as a branch of the OSW. Another report claims that the Telephony Section of the former WTA, the present TEN, was turned over to the Oberspreewerke in July but later became people-owned. It seems now, however, that the Telephony Section of the former WTA has become entirely integrated in the organization of the OSW.

25X1 ** Comment: It is not quite clear whether the entire SAG Izolyator was dissolved or only the OSW taken out of the Administration of the SAG Izolyator and turned over to the SAG Kabel.

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